

175.780 Power of turnpike authority to issue economic development road revenue bonds and notes.

- (1) In order to provide for the construction, reconstruction, and relocation of economic development road projects, the authority is hereby authorized and empowered, subject to the limitations contained in the biennial branch budget bill, under and pursuant to the terms and provisions of a written agreement or agreements with the cabinet, to construct, reconstruct, relocate, finance, and operate economic development road projects, to lease such projects to the cabinet, and to issue economic development road revenue bonds or notes of the authority to finance such projects. In the planning, construction, and financing of any economic development road project, the authority and the cabinet shall, subject to the provisions of KRS 175.750 to 175.810, have and use all authority, procedures, and rights provided by the provisions of KRS 175.410 to 175.690, inclusive.
- (2) Subject to the limitations contained in the biennial branch budget bills, the turnpike authority is hereby authorized to issue revenue bonds or notes in the amount of six hundred million dollars (\$600,000,000), exclusive of any costs incurred in the issuance of the bond or notes, amounts necessary to fund a debt service reserve fund, or capitalized interest on the bonds or notes, or both, for the purpose of financing economic development road projects. The projects to be financed by these bonds or notes shall be the following projects limited to the costs established by this subsection:

Route	Total Project Cost
(a) US-60	\$ 39,250,000;
(b) US-68	\$174,915,000,
the projects authorized by this paragraph shall be for the segments of US-68 from Bowling Green to Cadiz as submitted by the Transportation Cabinet in the 1990 Highway Construction Plan, except that funding shall be used for completion of the southern corridor of the US-68 By-pass in Christian County;	
(c) US-127	\$139,560,000;
(d) US-119, Letcher County, Pine Mountain Section	\$ 5,500,000;
(e) US-460	\$ 11,500,000;
(f) AA-HWY	\$114,355,000;
(g) US-25E	\$ 52,950,000;
(h) US-23	\$161,700,000.

The authority may expend funds in excess of the total project cost, but shall not exceed the total cost by more than ten percent (10%). If any route is completed at a cost less than the amount specified by this subsection, the authority shall utilize the remainder of the funds for the sole purpose of completion of projects as specified in this subsection regardless of whether project costs exceed the ten percent (10%) requirement.

- (3) The proceeds of the bonds issued under this authorization shall be used solely for the payment of the cost of the economic development road projects for which these bonds shall have been issued, as provided in subsection (2) of this section. The authority shall provide this restriction in the proceedings and preliminary documents authorizing the issuance of the bonds and in the trust indenture securing the same. Any refunding of such bonds by the authority shall also provide such restriction. Any proceeds of the bonds issued under this authorization remaining after the completion of the projects for which these bonds shall have been issued shall be transferred to the bond service account.
- (4) (a) Prior to the issuance of the revenue bonds or notes authorized by this section, the turnpike authority shall furnish to the Capital Projects and Bond Oversight Committee and the Interim Joint Committee on Appropriations and Revenue, and make available to the public, a listing of all costs associated, either directly or indirectly, with the issuance of the revenue bonds or notes. The costs shall be itemized as to amount and name of payee, and shall include fees or commissions paid to, or anticipated to be paid to, issuers, underwriters, placement agents and advisors, financial advisors, remarketing agents, credit enhancers, trustees, accountants, and the counsel of all such persons, bond counsel and special tax counsel, and shall include the economic benefits received or anticipated to be received by any other persons from any source in return for services performed relating to the issuance of the bonds or notes. Changes in amounts or names of payees or recipients, or additions of amounts or names of payees or recipients, to the listing furnished and made available pursuant to this paragraph, shall be furnished to the Capital Projects and Bond Oversight Committee and the Interim Joint Committee on Appropriations and Revenue and made available to the public within three (3) days following the change.
- (b) The costs required to be furnished under the provisions of paragraph (a) of this subsection shall not include the payment of wages or expenses to full-time, permanent employees of the Commonwealth of Kentucky.

Effective: July 15, 1994

History: Amended 1994 Ky. Acts ch. 387, sec. 27, effective July 15, 1994. -- Amended 1990 Ky. Acts ch. 502, sec. 1, effective April 11, 1990; and ch. 507, sec. 24, effective July 13, 1990. -- Amended 1982 Ky. Acts ch. 450, sec. 74, effective July 1, 1983. -- Created 1980 Ky. Acts ch. 393, sec. 4, effective July 15, 1980.